

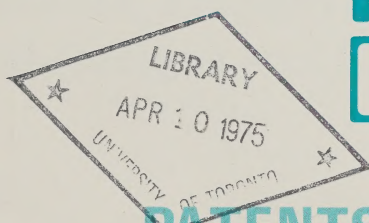
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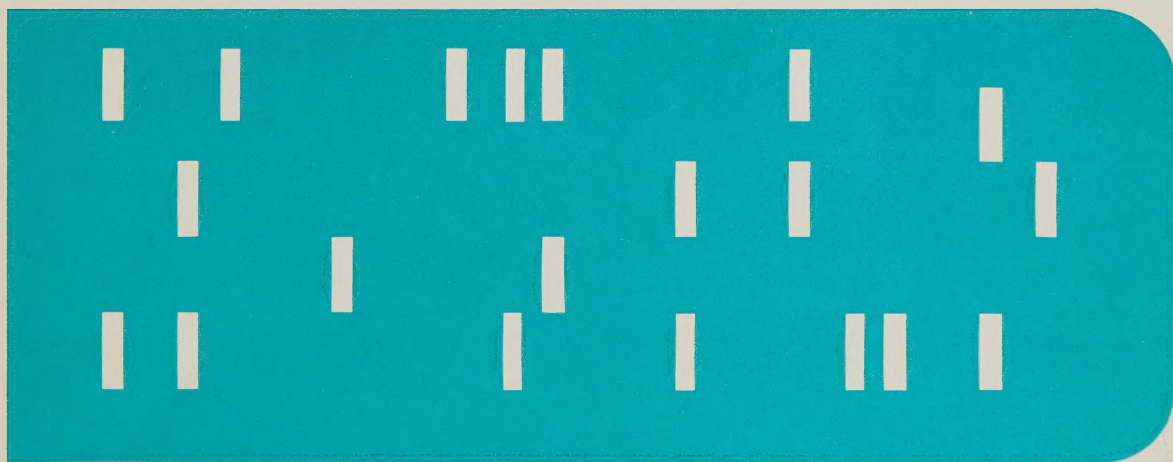
Government
Publications




DOING BUSINESS IN CANADA



PATENTS, TRADEMARKS, INDUSTRIAL DESIGNS AND COPYRIGHTS





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DOING BUSINESS IN CANADA

Patents, Trademarks, Industrial Designs and Copyrights

Prepared by
Industrial and Trade Enquiries Division
Department of Industry, Trade and Commerce
Ottawa, Canada
K1A 0H5

FOREWORD

Every effort has been made to accurately reflect the legislation in force at the time of preparing this publication. It is hoped this booklet will prove a useful guide, however, it should be appreciated that many of the laws mentioned herein contain considerable detail. Since the text refers only to basic principles, it is suggested that an enquirer consult with relevant authorities or solicitors, or both, when seeking precise and detailed advice on specific problems.

Other publications available in the "Doing Business in Canada" series are:

- The Business Environment
- Forms of Business Organization
- Canadian Customs Duties
- Taxation — Income, Business, Property
- Taxation — Sales, Excise, Commodity
- Labour Legislation
- Construction and Equipment Standards
- Federal Incentives to Industry
- Tariff Preferences for Canadian Goods Abroad

Also available:

- Financing Canadian Industry

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Revised 1974	

INTRODUCTION

Since January, 1973, the administration of legislation covering patents, trademarks, industrial designs and copyrights has been consolidated under the Bureau of Intellectual Property of the federal Department of Consumer and Corporate Affairs. The Bureau

comprises the Patent Office, the Trademarks Office, the Copyright and Industrial Design Office and other branches responsible for research, technical advice and international aspects of intellectual property rights.

REGIONAL OFFICES

The Department of Consumer and Corporate Affairs maintains Regional Offices in Halifax, Montreal, Toronto, Winnipeg and Vancouver (see Appendix A). These offices will accept for onward transmission to Ottawa any documents required to be filed with the Commissioner of Patents or the Registrar of Trademarks in relation to patents, copyrights and industrial designs.

The date of receipt of such documents

for official purposes is the date on which an envelope containing the documents and addressed to the Commissioner or Registrar is received and date stamped at the Regional Office. Enquiries of a general nature concerning patents, trademarks, industrial designs and copyrights may be directed to the Regional Offices or the offices of the Bureau of Intellectual Property in Hull, Quebec.

PATENTS

A patent is a right granted by the government to an inventor to exclude others from using his invention in Canada. The term of a patent is 17 years, after which anyone may use the invention.

Patents encourage inventions by protecting inventors against infringers for a limited time. They also encourage disclosure of inventions. A patentee must provide a full description of his invention, which is published when the patent expires. The publication of inventions stimulates others to make similar inventions or further improvements and prevents the loss of inventions that might otherwise be kept secret and die with the inventor, or never become generally available.

The patentee, himself, must protect his interest against infringers. The patent permits him to resort to the courts to collect damages and obtain injunctions against further infringement. In this manner, he may prevent others from exploiting his invention in Canada or importing it from abroad.

Patents are granted for inventions, not for workshop improvements or simple alterations to products already patented. An invention is a technological development or improvement that would not have been obvious beforehand to specialists in the technology being considered. An invention involves some unobvious and unexpected result — the product of inventive ingenuity. It may be a new machine, article, process, chemical compound or composition of matter. Patents are not granted for literary and artistic works (which may be copyrighted) or for designs (which may be registered under the Industrial Design Act).

To obtain a patent for an invention, the inventor, or his assignee, must file an application with the Commissioner of Patents, Ottawa-Hull, Canada: The application must meet all the requirements of the Patent Act and the Patent Rules. For example, patents are not granted if the invention was published anywhere in the world more than two years before the application was filed in Canada. The application will also be refused if the invention has been used publicly or sold in Canada more than two years before the application is filed. Consequently, it is important to file early.

Other provisions and formalities must also be satisfied. There is a filing fee of \$50,

and a further fee on allowance of a patent. In some instances, other incidental fees are required during prosecution of the application. To obtain a filing date, it is necessary to submit a petition, a full description (with claims) of the invention, the filing fee and any drawings referred to in the description. Drawings are usually required when the invention can be graphically illustrated. Other required documents must be supplied within one year of the filing date if not submitted at the time of filing.

While an application may be filed and prosecuted by an inventor or his legal representative, it is usually advisable to employ the services of a registered patent agent. Such agents are trained and qualified by examination to represent inventors. A register of such agents is maintained at the Patent Office and lists of those entitled to practise in Canada may be obtained free of charge.

Patent agents are trained to search technical literature and patents to determine if the invention is already known and therefore unpatentable; prepare specifications and claims that satisfy requirements of the Patent Act and provide adequate protection for the invention; and handle prosecution of the application before the Patent Office. They provide information and advice on filing in foreign countries, where patent laws differ in many aspects from our own. A Canadian patent gives protection in Canada only, and it may be desirable to file abroad to obtain greater protection.

The patent agent's skill in drafting the description of the invention and claims is particularly important, since the value of a patent depends largely on how this is done. The description of the invention must be such that any person skilled in the subject can understand it and receive sufficient information to carry out the invention without recourse to the inventor. The claims do not, as is sometimes supposed, list the advantages of the invention. Instead, they provide concise statements of what the invention is, phrased so as to avoid claiming what is already known, while still encompassing everything to which the inventor is entitled.

Once filed, applications are examined by one or more of the 200 scientists and engineers employed in the Patent Office as patent examiners. The examiner determines whether

the product is new, useful, and a result of inventive ingenuity. Prior patents and technical literature are searched to check for novelty. The application is also examined for conformity to legal requirements and formalities.

In the event that others have also filed for the same invention, conflict proceedings must be conducted to determine who is the first inventor. Examination, in some instances, takes several years, particularly when prosecution is involved. The applicant is given the opportunity to amend his application if it is not acceptable, or to try and persuade the examiner to change his views. Rejections may be appealed to the Federal and Supreme Courts. Sometimes patents are declared invalid by the courts, usually upon fresh evidence not available during prosecution before the Patent Office.

The examiner does not test an invention to determine how practical it may be and the grant is not an official endorsement of the invention. Many inventions do not prove as useful or practical as the inventor had hoped.

Nearly 29,000 applications are filed each year in Canada, and 24,000 patents granted. Since the first Canadian patent was granted in 1791, more than 950,000 have been issued. Every year more than 15,000 patents fall into the public domain.

In Canada, annual fees are not required (as in most European countries) to keep a patent in force. However, patented inventions must be worked in this country within three years of patenting.

If a patentee does not work his invention in Canada, or hinders manufacture in Canada by importation from abroad, or if he refuses to grant a licence, contrary to public interest, or unfairly prejudices any industry in Canada, the Commissioner of Patents may grant licences to use the invention to others, or, in some cases, revoke the patent. By recent legislation, compulsory licences may also be granted to import medicines manufactured abroad and can be obtained for all inventions intended for use in foods or drugs as soon as the patent is issued. Licence fees secure a reasonable financial reimbursement for the patentee, while safeguarding the public interest.

Foreign patents do not provide protection in Canada, though foreign inventors can obtain Canadian patents. Similarly, Canadian patents are valid in Canada only, but Canadians may patent abroad. Each country in the

world has developed its own patent system based on the same essential concept, but differing in details that suit its own economic conditions and requirements.

A patentee is not entitled to use his patented invention if it infringes a prior unexpired patent. On the other hand, he may sell all or part of his rights in the invention to others. He cannot prevent others from using his invention while his application is pending, but in cases of infringement, the Patent Rules provide for special action to speed up prosecution.

Before producing new products, it is important for Canadian manufacturers to ascertain if any patents will be infringed, and if it is possible to obtain a licence for those that will. At other times, a manufacturer may be threatened with infringement suits. In both these situations the advice of a patent agent is important. In all cases of possible infringement it is necessary to consider whether the patent is valid and will actually be infringed.

The existing patent literature holds the answers to many of the technical problems facing industry today. Many research programs have duplicated work already reported in patent specifications of one country or another. Even if a specific problem does not require solution, a systematic program for reviewing patent literature frequently shows methods of improving existing processes and techniques or generates further ideas.

Patent Office facilities are available to Canadian industry to find such information. Copies of all Canadian patents are stored at the Patent Office, classified by subject matter to simplify searching. While applications are kept secret, all issued Canadian patents are available for public search, free of charge. Printed copies of each patent issued since 1948 may be purchased at a nominal fee. Photocopies of earlier patents may also be ordered. Most foreign patents are on file and may be studied in the Public Search Room of the Patent Office Library, Place du Portage, 1 Victoria Street, Hull, Quebec J8X 3X1. Photocopies may be ordered.

The Patent Office Record is published every Tuesday and lists all inventions patented in Canada during the week. It also provides information about classification of patents for search purposes, ordering copies of patents, filing procedures, licensing and expiring patents and notices of the Commissioner of Patents.

Copies of the Record are available at most provincial, university and larger municipal libraries in Canada, and in the Regional Offices of the Department of Consumer and Corporate Affairs. Foreign Patent Offices publish similar gazettes, copies of which are on file in the Patent Office Library. Enquiries about patents may be made at the Regional Offices of the Department of Consumer and Corporate Affairs across Canada by writing directly to The Commissioner of Patents, Ottawa-Hull, Canada K1A 0E1.

Inventors wishing to sell or license issued Canadian patents may use the advertising services of the Patent Office Record, which permits a listing with pertinent information for a fee of \$5 per week for each patent. If an applicant specifies at time of allowance that the patent to be issued to him is available for license, this will be indicated in the Record free of charge.

Canadian patents owned by foreigners are frequently licensed to manufacturers in this country. An increasing number of foreign principals wish to enter the Canadian market by licence and royalty agreement. Under such arrangements the facilities of Canadian companies are used for production and distribution, with payments made to the foreign principals based on a percentage of sales or a fixed charge for each unit made.

The Department of Industry, Trade and Commerce provides a service designed to

bring the principals together. Foreign residents may submit their proposals to the nearest Canadian Government Trade Commissioner, or to the Industrial and Trade Enquiries Division, Department of Industry, Trade and Commerce in Ottawa. Details should be provided about the nature of the product in question, production costs and financial arrangements desired. The Department of Industry, Trade and Commerce will contact Canadian manufacturers directly and provide nationwide publicity in its monthly New Products Bulletin.

Patent protection in Canada is important. Without patents, it is difficult to arouse interest in licence and royalty arrangements. In addition, patents protect Canadian manufacturers against others who may manufacture the article in question, either by copying it directly, or resorting to foreign patent literature for production information.

For Canadians holding foreign patents, the Department of Industry, Trade and Commerce provides assistance, through Canadian Trade Commissioners, in licensing patents abroad. Address enquiries to:

Industrial and Trade
Enquiries Division
Department of Industry,
Trade and Commerce
112 Kent Street
Ottawa, Ontario K1A 0H5

TRADEMARKS

In general terms a trademark is a mark used to distinguish wares or services manufactured, sold, leased, hired or performed by one person or group of persons from those of others. The right to a trademark is created by use — not by registration; that is, a trademark must be used before it can be entered on the register. Registration merely serves to confirm the title, which has already been established by use, and provides the registered owner with evidence of ownership in the form of a certificate.

The adoption and use of certain kinds of marks as trademarks is prohibited, such as royal, vice-regal and government arms, crests, flags; emblems of the Red Cross; national flags and emblems; scandalous obscene matter; and portraits or signatures of living in-

dividuals. Also prohibited are marks used fraudulently or in a manner calculated to deceive the public, and marks that misrepresent the character, quality or composition of the goods to which they are applied, the source of the goods or their place of origin.

To register a trademark, an application for registration accompanied by a filing fee of \$35 must be submitted to the Registrar of Trademarks. No special form is required, but the application must be filled out according to rules available from the Registrar of Trademarks or from any of the Regional Offices listed in Appendix A. The Trademarks Office will examine the application, and if the mark does not fall into one of the prohibited classes, does not resemble an earlier mark on the register for the same class of goods or is not

found to be otherwise objectionable, it will be advertised in the Trademarks Journal.

Within one month of being advertised anyone may institute proceedings before the Registrar in opposition to the registration of the mark. If the registration is not opposed, or if the Registrar overrules all oppositions, the mark will be registered and remain on the register for a period of 15 years. The registration may be renewed for further periods of 15 years an indefinite number of times.

While an application may be filed and prosecuted by the applicant or his legal representative, the Trademarks Office usually

advises applicants to employ the services of a registered trademark agent. Such agents are trained and qualified by examination to represent applicants. A register of such agents is maintained in the Trademarks Office, and lists of those entitled to practise may be obtained free of charge.

The Registrar of Trademarks and the Trademark Indexes may be consulted by the public at the Trademarks Office, Place du Portage, 1 Victoria Street, Hull, Quebec J8X 3X1.

Address enquiries to:

The Registrar of Trademarks
Ottawa-Hull, Canada K1A 0E1

INDUSTRIAL DESIGNS

The outward appearance of an article of manufacture — that is, its particular shape, pattern or ornamentation — may be registered as an industrial design. Good design enhances the appearance and salability of an article, and may also contribute to the ease and safety with which it is used.

Designs have been registered for a wide variety of articles, such as wearing apparel, fabrics, wallpaper, furniture, jewelry, bottles, toys, electrical appliances and office machines. Details or features of the construction, mode of operation or functioning of an article may be patentable as an invention, but cannot be part of what is registered as an industrial design under the Industrial Design Act.

An industrial design may be registered in Canada if it is not identical or similar to others already registered. If a design has been made public in Canada before being registered, it can be registered any time up to one year from the date it was made public.

The registered owner of an industrial design has the sole right to use the design in Canada for a period of five years, renewable for a further period of five years.

The registration of an industrial design requires the filing of an application with the Commissioner of Patents and payment of a \$25 fee. Application forms are available from the Commissioner of Patents or any of the Regional Offices listed in Appendix A. A search of earlier registered designs will be made by the Industrial Design Office. If the design is found to be original, it will be registered and a certificate of registration issued to the owner. The registers of designs may be consulted by the public at the Industrial Design Office, Place du Portage, 1 Victoria Street, Hull, Quebec J8X 3X1.

Address enquiries to:

The Commissioner of Patents
Ottawa-Hull, Canada K1A 0E1

COPYRIGHTS

Upon creation, every original literary, dramatic, musical or artistic work is automatically protected by copyright. These works include paintings, drawings, sculptures, engravings, photographs, books, maps, charts, films, encyclopedias, newspapers, reviews, magazines, plays and architectural plans. They also include contrivances that mechanically reproduce sound, such as records, open-reel tapes and cassettes.

The Copyright Act grants to the originator or author of any such work the sole right to produce or reproduce the work in any material form and to perform the work in public, in Canada, provided he was a British subject or citizen of a country that adheres to the International Copyright Convention when he produced the work; and, in the case of a published work, if the work was first published within Her Majesty's Realms and

Territories or in a Convention country. The term of copyright for written works is the life of the author plus 50 years; for sound recordings and photographs, it's 50 years from the date of the original plate or negative.

The Copyright Act does not apply to designs that can be registered under the Industrial Design Act. For instance, if an artistic work is reproduced or expected to be reproduced by an industrial process in quantity exceeding 50, it loses its copyright protection. This applies, for example, to designs for printed paper hangings, textile goods and figures. These works should be registered under the Industrial Design Act, bearing in mind that registration must take place within one year of publication of the design in Canada.

On August 10, 1962, Canada ratified the Universal Copyright Convention, which affords automatic protection for unpublished works in U.C.C. countries, including the United States. Under this convention, an original work published in Canada automatically receives copyright protection in the U.S. and other U.C.C. countries provided all copies bear the symbol ©, accompanied by the name of the proprietor of the copyright and the year of publication.

While it is not a statutory requirement to register copyright, it is advantageous because it provides prima facie evidence of copyright ownership. To register copyright, an applicant must send his application to the Commissioner of Patents, with his name, title of the work, and registration fee of \$10 payable to the Receiver General of Canada. Application forms are available from the Commissioner of Patents or from any of the Regional Offices listed in Appendix A.

Copies of the work to be registered are not required and will be returned if supplied. However, two copies of the first printing of every book printed in Canada must be sent to the National Library of Canada, Public Archives, 395 Wellington Street, Ottawa, Ontario K1A 0N3. Copies of the Copyright Act and Rules may be purchased at minimal cost from Information Canada Bookstores. The Registrar of Copyright may be consulted by the public at the Copyright Office, Place du Portage, 1 Victoria Street, Hull, Quebec J8X 3X1.

Address enquiries to:

The Commissioner of Patents
Ottawa-Hull, Canada K1A 0E1

APPENDIX A**REGIONAL OFFICES OF THE DEPARTMENT
OF CONSUMER AND CORPORATE AFFAIRS****ATLANTIC REGION**

Department of Consumer and
Corporate Affairs
6th Floor
Montreal Tower
5151 George Street
Halifax, Nova Scotia B3J 1M5
Phone: (902) 426-2960

QUEBEC REGION

Department of Consumer and
Corporate Affairs
Room 310
1441 St. Urbain Street
Montreal, Quebec H2X 2M6
Phone: (514) 283-5394

ONTARIO REGION

Department of Consumer and
Corporate Affairs
Room 706
Global House
480 University Avenue
Toronto, Ontario M5G 1V2
Phone: (416) 369-3344

PRAIRIE REGION

Department of Consumer and
Corporate Affairs
412 Federal Building
269 Main Street
Winnipeg, Manitoba R3C 1B2
Phone: (204) 985-2369

PACIFIC REGION

Department of Consumer and
Corporate Affairs
P.O. Box 10059
Pacific Centre Ltd.
25th Floor
700 West Georgia Street
Vancouver, British Columbia V6C 2P1
Phone: (604) 666-1151

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